



October 27, 2003

The Honorable William M. Thomas
Chairman Committee on Ways and Means
U.S. House of Representatives
Washington, D.C. 20515

Dear Mr. Chairman:

The Apricot Producers of California support H.R. 2896, the "*American Jobs Creation Act of 2003*" as a means of resolving the trade dispute with Europe over the Foreign Sales Corporation law. We also believe it is helpful since it will lower the tax rate for small U.S. corporations, including those involved in agriculture.

The California apricot industry continues to face severe economic circumstances largely because of competition from low-priced foreign production. Those losses are increasingly occurring in the U.S. market and threaten to get worse as U.S. tariffs on apricot products are reduced and possibly eliminated under free trade agreements the United States is negotiating with competitive apricot producing countries. These agreements include the free trade agreement recently concluded with Chile, a proposed agreement with Australia, and our greatest concern, a future free trade agreement with South Africa.

California apricot growers appreciate your support on past industry issues and hope we can continue to count on your strong support on future issues of importance to our import-sensitive industry.

Respectfully,

A handwritten signature in dark ink, appearing to read "William C. Ferriera".

William C. Ferriera
President

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